

## DEPARTMENT OF FINANCE BILL ANALYSIS

**AMENDMENT DATE:** 05/14/2012  
**POSITION:** Neutral

**BILL NUMBER:** AB 1550  
**AUTHOR:** Bonilla, Susan

### **BILL SUMMARY:** Vehicles: veterans' organizations license plates: fees.

This bill would increase the amount of fees charged to vehicle owners for veterans specialized license plates instead of standard license plates; the specialized license plate fees, less the Department of Motor Vehicles collection costs, are used to support county veterans' service offices.

### **FISCAL SUMMARY**

The Department of Motor Vehicles (DMV) estimates programming costs of \$60,000. Annual revenue from the veterans plates was \$679,000 in 2011. The DMV indicates the fee increases are expected to generate approximately \$356,000 in additional annual revenue in 2013-2014, assuming no change in demand resulting from the increase in fees. Fees are deposited to the Veterans Service Office Fund for distribution to the county veterans' service offices.

### **COMMENTS**

Finance is neutral on this bill because raising fees for veterans specialized license plates could increase state support for county veterans' service offices (CVSOs). CVSOs are local agencies that assist veterans and their families in obtaining benefits and services accrued through military service.

Existing law allows any veterans organization and any registered vehicle owner to apply for a veterans special interest license plate. The proceeds, less DMV costs, are distributed by the Department of Veterans Affairs to CVSOs.

This bill would increase fees charged to vehicle owners for the veterans specialized license plate from \$30 to \$50 for an initial issuance of the plates and decals, and from \$30 to \$40 for annual registration renewal. The fee for initial issuance of personalized license plates would increase from \$40 to \$78.

The bill would also clarify that the specialized license plate program allows veterans to apply for plates that indicate their service, clarify the current practice that nonveterans may apply for plates that honor veterans, and allow the placement of decals upon the specialized license plates that identifies veterans serving in a particular war or armed conflict.

Analyst/Principal (0744) J.Gregg	Date	Program Budget Manager Mark Hill	Date
Department Deputy Director		Date	
Governor's Office:	By:	Date:	Position Approved _____ Position Disapproved _____
BILL ANALYSIS			Form DF-43 (Rev 03/95 Buff)

## AUTHOR

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Bonilla, Susan

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Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							
	LA	(Dollars in Thousands)							
	CO	PROP						Fund	
	RV	98	FC	2011-2012	FC	2012-2013	FC	2013-2014	Code
2740/DMV	SO	No	A	--	A	60	A	--	0044
1141/MV Registra	RV	No	L	--	L	178	L	356	0083
<u>Fund Code</u>	<u>Title</u>								
0044	Motor Vehicle Account, STF								
0083	Veterans Service Office Fund								